



City of Hampton, VA

Meeting Minutes

City Council

22 Lincoln Street
Hampton, VA 23669
www.hampton.gov

Linda Curtis
W. H. "Billy" Hobbs, Jr.
Will Moffett
Chris Snead
Christopher G. Stuart
Donnie R. Tuck
George E. Wallace, Mayor

Staff:
Mary Bunting, City Manager
Vanessa T. Valdejuli, City Attorney
Katherine K. Glass, CMC, Clerk of Council

Wednesday, March 12, 2014

9:00 AM

Little England Cultural Center

JOINT MEETING – CITY COUNCIL AND HAMPTON REDEVELOPMENT AND HOUSING AUTHORITY BOARD

GEORGE E. WALLACE AND ELEANOR BROWN PRESIDED

Mayor Wallace welcomed everyone to the joint meeting of the Hampton City Council and the Hampton Redevelopment and Housing Authority (HRHA) Board and then called upon Deputy Clerk of Council Tammy Lee to call the Hampton City Council roll.

CALL TO ORDER/ROLL CALL – CITY COUNCIL

PRESENT: Linda Curtis, W. H. "Billy" Hobbs, Jr., Will Moffett, Donnie R. Tuck

ABSENT: Chris Snead, Christopher G. Stuart

Councilman Stuart and Councilwoman Snead were absent at the time of roll call. Councilwoman Snead arrived shortly thereafter at 9:06 a.m.

CALL TO ORDER/ROLL CALL – HAMPTON REDEVELOPMENT AND HOUSING AUTHORITY BOARD

HRHA Board Chair Eleanor Brown called upon Assistant to the HRHA Executive Director Meredith Clark to call the HRHA Board roll.

PRESENT: Chair Eleanor Brown, Vice Chair Louis Morris, and Board Members Steve Brown, Stephen Adams, Walter Credle, Eunice Peele and Valarie Purcell

City Manager Mary Bunting, HRHA Executive Director Ronald Jackson and City Attorney Vanessa Valdejuli were also in attendance as well as additional City staff and HRHA staff.

AGENDA

1. 14-0111 Options for Accelerating Hampton's Housing Strategies

Mayor Wallace called upon City Manager Bunting to give introductory remarks. Ms. Bunting noted that HRHA Executive Director Ronald Jackson may also want to give opening remarks.

Ms. Bunting thanked both bodies for participating in this joint meeting which is a follow up to a meeting held last year. At that time, we took a bus tour of various neighborhoods and saw a mixture of housing opportunities in areas with the housing types we want for our community, and areas where some of the housing was blighted. She explained that we determined there was a need to stimulate investment and reinvestment in the housing stock; therefore, we discussed potential tools the City and HRHA could use to accomplish that. She said it was suggested (and staff agreed) that there was also a need for an independent perspective regarding targeting those tools to different areas of our City; therefore, Community Planning Partners, Inc. (CPP) was engaged by HRHA to help get that external perspective. She stated that CPP would share their observations and recommendations; however, due to time limitations, CPP looked at neighborhoods that were representative of the neighborhoods in the City, versus every neighborhood in the City.

For the record, Ms. Bunting clarified that while CPP will address specific areas in the City, people should not be under the impression that we are only looking at reinvestment in those particular neighborhoods; instead, they are illustrative of other neighborhoods. She said we have been told by CPP that the tools and recommendations that they will make are applicable and expandable to other areas of the City which have like characteristics. She reiterated, for the record, that the areas that CPP will review were carefully selected to be representative of the entire community.

Ms. Bunting suggested that both bodies engage in dialogue regarding thoughts and recommendations once the CPP representatives have completed their presentation of the overall approach. She noted a closed session component dealing with specific parcels and acquisition strategies will also take place; however, to protect the City's and the HRHA bargaining positions, we are requesting that those specific kinds of parcel considerations be done in closed session.

HRHA Executive Director Ronald Jackson listed some of the comments/questions posed following the previous joint meeting and tour: (1) how we can go about putting more money into these housing challenges (2) how we can address neighborhoods such as Fordham, one of the neighborhoods that is representative of some of our other neighborhoods (3) what are the clear outcomes for each area; what we want to achieve (4) can we measure the outcome in progress (5) what is the optimum neighborhood criteria; what is the tipping point that creates necessary environments to attract private investment (6) what are our housing goals. (7) how do we address staff and funding challenges to make this happen and take it to a scale that will make a difference.

Mr. Jackson stated we engaged with the consultants in an attempt to answer some of these questions which came about during the previous joint session. The three components to the engagement included: (1) doing an assessment of representative neighborhoods (2) prioritizing certain actions over a specific amount of time and (3) doing a replicable methodology or an assessment tool where we can not only engage the current condition of the neighborhoods, but also if we intervene, use that same tool to determine whether or not we have made progress.

Mr. Jackson gave the following background information regarding CPP: It was founded in 1978. The Chief Executive Officer (CEO) is Mr. Craig Wilson. They have worked with approximately 200 public and private organizations in Virginia and the Mid-Atlantic. CPP is made up of professional, strategic planners who do economic development housing planning, hazard mitigation, and write Community Development Block Grant Program (CDBG) grants.

Mr. Jackson noted that HRHA's staff is confident that the City Council and HRHA Board members will be pleased with the product they will be presented today. He then introduced CPP CEO Craig Wilson to give the presentation. A copy of the presentation is attached to the minutes.

Mr. Wilson added that their company brings an eclectic background and has worked with other Redevelopment and Housing Authorities including Richmond, Chesapeake, and Danville. He stated that the CDBG component mentioned earlier is important because Hampton has CDBG funds and CPP understands those programs and are submitting a CDBG application to the State for smaller communities around the State. He noted that CPP is excited about the opportunity to work with Hampton and then introduced Associate Planner Sam Tuttle who would be speaking during the closed session.

Mr. Wilson commended City staff and HRHA staff for being engaged professionals and for making his staff comfortable while working together, particularly since they were on a short turn-around time in putting this information together. He stated that Hampton is pursuing the right strategies and is having some small success, and is willing to ramp it up to have even larger successes. He continued stating that CPP recognizes that many Virginia cities are landlocked and don't have the ability to annex because their buildable land is built out; however, Hampton has a unique set of challenges which makes the environment tougher than in places such as Chesterfield County which has open land that can be developed causing the tax base to increase with every house that goes up. He added that CPP applauds Hampton for doing a good job in this area considering its challenging environment.

Mr. Wilson noted that the maps on display represent six neighborhoods which were examined including two in Phoebus, and one in Buckroe Beach, Fordham, College Court and Old Hampton including the old Harbor Square Apartment complex which will very much affect what happens in Old Hampton. He said these neighborhoods are representative of the variety of neighborhoods in Hampton and noted that they scored buildings in these neighborhoods which are considered to be in intermediate condition or worse which need to be addressed.

Mr. Wilson elaborated on the key components regarding Hampton's Housing Policy listed on slide 4. (1) Building housing that is regionally competitive. He explained that Hampton has a lot of affordable, moderate and low income housing (more than its share for the Hampton Roads area) and needs to become more competitive in the marketplace of Hampton Roads. (2) Leveraging private sector investment. He explained building the types of market rate housing we would like to see in our community is important and many of the funds we depend on for housing development are shrinking; therefore, private leverage is important. (3) Advancing the adopted master plans. He said Hampton has good plans; however, master plans can be challenging. (4) Balancing income levels and housing types. He noted that this is a challenge for any urban area. (5) Creating mixed income communities. He stated with United States Department of

Housing and Urban Development (HUD) dollars, for example we hear the idea that we should not have places where all poor or all rich people live together and should somehow bring them together. (6) Preserving surrounding neighborhoods. He noted Hampton does have older neighborhoods and should want to preserve them as much as possible.

Mr. Wilson emphasized that if the City chooses to develop new market rate housing, it must choose the role that best fits the project and he believes Hampton is doing that. He noted that one of Hampton's dilemmas is that it needs to do something with its numerous parcels which sit year after year. He reiterated that each project will differ; therefore, various City roles including real estate agent, developer of record or by subsidiary, and facilitator to a developer will also differ according to the project.

Mr. Wilson elaborated on what each of the roles entail: (1) Real Estate Agent – Selling property as quickly and advantageously as possible to those willing to develop the land with restrictions which come through the conveyance off the property. (2) Developer of record or by subsidiary – this is a more active role, for example the apartment complex being built in Old Hampton, Patterson Crossing, where the City has created a subsidiary to do it. This role requires more staff. (3) Facilitator to a Developer/Master Developer. This role involves setting a Master Developer agreement for a project. Staff needs may be extensive; however, may not require as much as initially thought as long as the project is uniform. For example, the Urban Development Authority (UDA) Plan in Buckroe has housing which is uniform; however, if you are going to be the developer of more complex projects, then staffing needs will increase. Many times, this role is used to implement projects which are multi-use and have a lot of components and infrastructure. Mr. Wilson noted that this role fits the Harbor Square Complex because the updated UDA Plan speaks about mixed use and infrastructure.

Mr. Wilson elaborated on slide 6 which lists the pros and cons of playing an active role in the development process. He emphasized that formal redevelopment and conservation should be used in areas of concentrated blight. Slides 8 lists reasons why this is important.

Mr. Wilson noted that we will no longer be doing the large-scale redevelopment and conservation projects previously done in the 1980's and 1990's. At Mayor Wallace's request, Mr. Wilson confirmed that "we" refers to anyone in the State of Virginia and approximately 47 other states.

Mr. Wilson stated the spot blight abatement procedure (described on slide 9) allows you to use Eminent Domain for the purpose of forcing a house or building to be fixed, to acquire the building and ultimately to demolish it if necessary. He added that this is most likely the easiest way to deal with a property without ending up in the courts. He explained that this does; however, require you to pass an ordinance on each property on which you will use spot blight abatement and the ordinance must state a plan to deal with the property.

Mayor Wallace inquired about the entity responsible for passing the individual ordinances. Mr. Wilson clarified that the city is responsible and then noted that this is a fairly new tool in the Virginia Code, and while some communities have adopted a spot blight abatement ordinance in general, State Code requires passing of individual ordinances on each property.

Mr. Wilson reviewed slides 10 and 11 regarding enhancing and coordinating existing City of Hampton efforts as well as slide 12 which encourages the City to say yes to "market rate housing" and "Mid-century modest housing" described as smaller, modest homes.

Mayor Wallace said Council recently learned from a presentation given by Raleigh, North Carolina's Chief Planner that in the next 20 to 30 years, there will be a need for properties occupied by single individuals including widowed senior citizens and young people, and asked Mr. Wilson to speak about how the City should approach these types of dual needs. Mr. Wilson stated that, in his opinion, these things go together and much of new housing is being built smaller and in clusters which can be convenient for both groups, for example they sometimes have smaller yards which require less maintenance. He noted that another positive aspect is that these types of housing are usually well-built, particularly with regard to their quality structures.

HRHA Board Member Stephen Adams commented that the old Wythe neighborhood in Hampton is an example of a neighborhood which has houses of all sizes and architectural types and is what is considered a true neighborhood. He asked about neighborhoods which have a high concentration of either end as those neighborhoods seem to survive longer than a larger concentration of small homes. He asked if the goal is to update smaller housing areas so that they are located in the same place 15 to 20 years from now or to integrate different size and architectural types of homes. Mr. Wilson said unless you have an area that is significantly blighted to declare it a redevelopment area, you are not going to have that option available a whole lot. He noted that he would discuss acquisitions and making communities more livable later in the presentation.

Mr. Wilson reviewed slide 13 regarding approaches that should be taken when acquiring land and selling property. He emphasized that the City should not be afraid to lose money on land sales if those sales get the land back into productive use and on the tax roll.

Mr. Wilson reviewed the various creative financing and incentives for market rate projects listed on slide 14. Mayor Wallace inquired about the mixed-use/mixed-income financing program and asked for specific examples in our adjacent communities where that has been successful. He said it appears that the term is easier disclosed and discussed than actually making it a reality. Mr. Wilson explained it was included as a tool because the Virginia Housing Development Authority (VHDA) has assistance in financing particularly for ensuring that it stays mixed use/mixed income through what is called a "Reach Team" which helps communities do that. He noted that recent successful examples of mixed use/mixed income projects can be found in the Virginia Municipal League Magazine including ones in areas such as Lexington, Roanoke and Chesapeake. He added this is a new program that VHDA and the "Reach Team" have been tasked with to get the money out there and they will work with the City on developing these kinds of projects.

Councilman Moffett noted that when he was previously on the HRHA Board, he visited a Norfolk community which had both high value housing and subsidized housing, but it was difficult to tell the difference and asked HRHA Board Chair Ms. Eleanor Brown if that

is an example of what is being discussed. Ms. Brown clarified this is not the same thing; however, the Old Point Townhomes is a similar example.

Mr. Jackson noted that the Reach Team has looked at some of the representative neighborhoods and has met with Mr. Wilson and his staff. Mr. Wilson added most of these have been smaller projects, for example the one in Roanoke was a single downtown building and the one in Lexington is an older house with a joint bed and breakfast and housing facility. Mr. Wilson said these projects have been small thus far because it is a new program and then noted that the VHDA (up until creating mixed use/mixed income) could not do anything but housing, but this is the first time by State law that they have been allowed to have a retail/commercial component.

Mayor Wallace noted that we have a potential opportunity at the grounds formerly occupied by the Virginia State School for the Deaf and Blind. Mr. Wilson recommended keeping the Reach Team involved to see what they may be willing to do. Mayor Wallace added that the retail piece makes it even more appealing.

Mr. Wilson discussed affordable housing and funds which are available through HUD and other loan programs listed on slide 16 of the presentation. He emphasized that finances are not usually the hindrance; instead, deciding what to put there, developing it and controlling it through the cumbances on the deeds is the bigger challenge.

Mayor Wallace said, in his opinion, the challenge will be how to convey this to the constituency. For example, how will we let the constituency know that we have a sufficient amount of affordable housing for those who need and want it without sounding elitist.

Mr. Wilson said people need to be aware that we will continue to do all of those programs including redevelop some conservation areas and do new market rate as much as possible. He said not every State is like ours where cities and counties are separate, so it is important to educate people on the importance of the City doing various things in order to have a future that is bright and one that we can afford to fund. Mayor Wallace concurred with explaining to people that these things are necessary, without apologizing for it. Mr. Wilson noted the real success in Richmond has been market rate housing and/or mixed rate income and they are no longer apologizing for it.

Mr. Wilson commended City staff for putting together a great Neighborhood Conservation and Redevelopment Tool which is an excellent guide that lists current, potential and best practice tools available for housing revitalization.

Mayor Wallace opened the floor for discussion and noted that Community Development Director Terry O'Neill would facilitate and record this portion of the meeting.

Councilman Moffett asked if the plan is in alignment with the rental inspection program. Mr. Wilson said two of the areas they looked at are in the rental inspection program; however, since the program is brand new, the fruits of it may not yet be visible. Mr. O'Neill added that we wanted to ensure that at least one area was in a rental inspection program and we looked for a representative group which might be a candidate for some of these tools.

Mr. Adams asked if one of our goals should be to move from more than our fair share to fair share of affordable housing. Mr. Wilson said the market rate track will make the difference because it is what will boost tax revenue since it is new and higher dollar. He noted that there will be places where mixed use/mixed income makes sense, for example possibly the Deaf and Blind School property, but places such as Buckroe Beach and downtown should definitely be done market rate. He noted that the key to Old Hampton will be what is done with Harbor Square because if it is done with market rate then that will create spill over to other downtown areas.

Ms. Brown stated that we have an aging demographic and people have a desire to downsize, so in her opinion, it would make sense to market senior housing; however, we would also need to consider senior needs including transportation and other amenities such as churches, movies, grocery stores and doctors' offices within walking distance. She said this is a real market opportunity if we explored it and provided amenities for people to age here in their own homes or new acquisitions of remodeled mid-century modest homes without having to be placed in assisted living facilities.

Councilwoman Snead agreed with Ms. Brown's comments regarding senior citizens. She also expressed concern regarding Hampton having the highest number of young people leaving the City (out of all cities in the Hampton Roads area). She said during the presentation Mayor Wallace referenced, she and Mayor Wallace learned that it is important to consider developing housing which will attract young people and the amenities young people desire. She continued saying that people have a hard time dealing with mortality, but we need to consider how to sustain Hampton as a community and what that community will be like 20-30 years from now. She emphasized that we need to strike a balance between dealing with the older population and bringing young people back to Hampton.

Mr. Wilson agreed with Councilwoman Snead and noted that young people without children and older people without children really don't cost that much money, but once young people begin to have their own children, they may leave because they want larger living quarters and want the entire American dream, but while you have them, they do not cost the City much money.

Councilwoman Snead noted she also learned during the previously mentioned presentation that the new trend is that young people will not marry resulting in many single households within the City.

HRHA Board member Steve Brown commented that high end housing, high value jobs and retail have an impact on what a community will look like and how people will invest in that community. He said years ago, Hampton was considered one of the best communities to live in, but because young people are high tech and on the move, it is imperative that we come together as a community to determine why young people are leaving our City. For example, we need to determine if they are leaving due to housing, retail, entertainment, and the need for high value jobs as this may help determine why young people get their education here and go to other communities to invest, play and live. He suggested finding new things to offer and finding ways to keep young people in Hampton, such as housing, retail, entertainment, and other amenities which will attract them. He reiterated that we must focus on ways to keep them here and invest in our community.

Mr. Wilson noted that Richmond is a good example of what Mr. Brown spoke about, particularly because it is a different community now in terms of young people's interests. For example, two or three new restaurants are opening each week in Richmond due to young people's influence and desires.

Mr. O'Neill announced that the Planning Commission and the Youth Commission will host a joint meeting on March 18th at the Teen Center at 5:30 p.m. as part of the Youth Commission's update to their youth part of our Community Plan. He noted that one of the topics they raised for discussion as a strategic issue was why young people are not returning to our community. Mr. O'Neill encouraged the Councilmembers and HRHA Board members to attend the meeting.

Ms. Bunting referenced the "mid-century modest" homes and asked Mr. Wilson if he is aware of any cities or housing authorities that have made renovations to some of their older, smaller houses to show people how renovations can be done to these homes and whether or not those projects were successful. She said for some people, there may be a mental barrier when looking at some of the older housing units, so it may be helpful if renovations are done so that people can see the potential.

Mr. Wilson said Richmond has created "Model Blocks", rehabilitated houses for people to view examples of what can be done. He recommended the City of Hampton do this because it would result in a lot of Public Relations (PR) and kick-start the trend. He noted that additional examples of this can be found in other cities including Norfolk and Portsmouth.

Ms. Bunting said perhaps in some of our neighborhoods that fall in that category such as Fordham, realistically we couldn't acquire all of that with the legal tools and financial challenges, but if we acquired some to do a model, perhaps it would spur us along. Mr. Wilson said he believes it would be wonderful on many fronts and would show that the City is looking out for people who may only be able to afford this type of home, but are going to do it creatively.

Mr. Jackson noted that there is a home in Fordham which has been gutted out and is in the process of being rehabilitated.

Mr. Adams commented that some communities have design teams who look at neighborhoods like Fordham and determine what can be done, for example a simple color change could make a difference. He also said that the conversation has mainly been about home ownership; however, at one time (in the 1980's), Hampton had a program where landlords who owned rental houses could present a plan, borrow money with a low interest rate, have the property inspected and if it passed inspection, they were allowed to draw on the loan.

HRHA Board member Eunice Peele suggested if we are considering renovating houses to increase the market, we may also want to consider doing renovations with accommodations for senior citizens. For example, renovations which include bathroom railings as this may appeal to another market in addition to single people and small families. Mr. Adams noted that is known as "universal design".

Mayor Wallace added that most senior citizens feel as though they can't afford to move back to their hometowns even if they wanted to, and suggested directing some of our

attention to the fact that if people chose to come to Hampton, this may allow them to still have the same climate and comparability to what they left in terms of smaller, affordable homes with amenities. Mr. Wilson added to also keep in mind that this may also attract veterans who may want to live near the hospital (VA).

Ms. Brown added that youth are looking for recreation, such as the kayak park in the works, so we may want to consider recreational amenities enjoyable by everyone, and not exclusive to a particular generation. She noted that her neighborhood is very diverse with people of all ages, incomes and homes with different architectural styles. She said, in her opinion, we are all richer and better when we have this type of diversity in neighborhoods.

Mayor Wallace suggested creating homeowners' associations for maintenance purposes, particularly in these block projects directed toward seniors and other single occupancy people, specifically for yard maintenance.

At Councilman Moffett's request, Mr. Jackson elaborated on veteran housing accommodations. Mr. Jackson said we have one project in particular, Patterson Crossing, where we are trying to provide project based vouchers for veterans. With the downsizing of the current military campaigns, there is an expectation that a flood of veterans will return to the area. He noted that he and the Director of Federal Facilities Support Bruce Sturk visited Virginia Beach to see what they are doing in terms of veteran housing and found that they are working with the city to have project based vouchers to accommodate veterans in modern units. We are looking for opportunities to replicate that model in Hampton or do something to provide housing in one area for veterans, and we will continue to meet to see what opportunities we have in Hampton for the veterans here.

Mr. Wilson noted if Hampton does a model block type of program, it will most likely be utility cost efficient, particularly if seniors and military will no longer be building large homes. Mayor Wallace added that there will be a significant downsizing of the military soon and Hampton will have an opportunity for veterans who will be receiving modified retirement packages and will be in the market for these types of benefits associated with how efficient homes are operated. If we have a block of these homes, we may capture them as residents as well as their work force skills.

Mr. Brown asked what Federal funding sources are available for veteran housing. Mr. Jackson replied we have the Veterans Affairs Supportive Housing (VASH) vouchers, but at this point people cannot use them for homeownership and it may be introduced at some point. Mr. Brown asked how we can tap into our State legislatures and Congressmen considering Hampton has a high concentration of veterans and this will be a tremendous need in our community.

Mr. Adams stated that at one time, the VA had a grant program which enabled people to build or renovate homes for disabled veterans. He hasn't checked into that type of program over the last few years, so he is unaware whether or not those programs still exist. Ms. Peele noted that those funds are still available; however, are based on the disability of the veteran.

Ms. Bunting noted that another option for those who cannot have an ownership program is to have the Housing Authority handle the housing aspect and pay for it using the

VASH voucher or some other means. She reiterated that there are various ways to approach the problem, but the idea of focusing on all of the opportunities is an important one.

Mr. Jackson added that in many cases, they combine, for example, the low income housing tax credits or you could have VASH vouchers. Generally, the way these entities are formed for tax purposes, they still pay real estate taxes contributing to the tax base. Ms. Bunting added that would work if it was a private land owner, but if the Housing Authority was developing and managing it, you would have a tax exemption, but we could work out the payment in lieu of tax structure. Mr. Jackson clarified with the tax credits, we (HRHA) cannot own it and have to turn it over to a private entity and in that way can contribute to the tax base.

Ms. Brown said Ms. Bunting may have been referring to the time when we applied for and received more VASH vouchers, so we do have more veterans housed now through that program similar to a section 8 program.

Mr. O'Neill opened the floor for additional comments from Council and/or the HRHA Board members. There being none, a ten minute recess was taken prior to the Closed Session.

PRESENTED by the staff of the City of Hampton and Hampton
Redevelopment and Housing Authority.

CLOSED MEETING

2. 14-0132 Closed session pursuant to Virginia Code Sections 2.2-3711.A.3 to consider the acquisition of real property for a public purpose where discussion in an open meeting would adversely affect the bargaining position or negotiating strategy of the City

APPROVED

Motion made by: Councilmember Chris Snead

Seconded by: Councilmember W. H. "Billy" Hobbs, Jr.

Ayes: 6 - Linda Curtis, W. H. "Billy" Hobbs, Jr., Will Moffett, Chris Snead, Donnie R. Tuck, George E. Wallace

Nays: 0

Absent: 1 - Christopher G. Stuart

CERTIFICATION

3. 14-0133 Resolution Certifying Closed Session

WHEREAS, the City Council of the City of Hampton, Virginia, has convened a closed session on this date pursuant to an affirmative recorded vote made in accordance with the provisions of the Virginia Freedom of Information Act; and

WHEREAS, Section 2.2-3712D of the Code of Virginia requires a certification by the City Council of the City of Hampton, Virginia, that such closed meeting was conducted in conformity with Virginia Law;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Hampton, Virginia, hereby certifies that, to the best of each member's knowledge, (i) only public business matters lawfully exempted from open meeting requirements by Virginia law were discussed in the closed session to which this certification resolution applies, and (ii) only such public business matters as were identified in the motion convening the closed meeting were heard, discussed, or considered by the city council of the city of Hampton, Virginia.

ADOPTED

Motion made by: Councilmember Will Moffett

Seconded by: Councilmember W. H. "Billy" Hobbs, Jr.

Ayes: 6 - Linda Curtis, W. H. "Billy" Hobbs, Jr., Will Moffett, Chris Snead, Donnie R. Tuck, George E. Wallace

Nays: 0

Absent: 1 - Christopher G. Stuart

ADJOURNMENT

George E. Wallace
Mayor

Katherine K. Glass, CMC
Clerk of Council

Date approved by Council _____

Fine Tuning Hampton's Housing Revitalization Efforts

City of Hampton and the Hampton
Redevelopment & Housing Authority



March 12, 2014

Community Planning Partners



First, many thanks to the staff members of the City and Housing Authority who helped with the work that we were asked to do. They are an engaged group of professionals who take their commitment to revitalizing Hampton's housing very seriously.

Second, you are doing a lot things right in a very challenging environment. It was fun working in an environment where finding creative solutions is encouraged.



Third, let me tell you a little bit about Community Planning Partners and the work we did on behalf of the City and Authority.

Fourth, a word about the maps that are in front of you and the representative neighborhoods that we examined.



Hampton's Housing Policy – grow by redevelopment, neighborhood investment, & infill development through:

- Building housing that is regionally competitive.
- Leveraging private sector investment.
- Advancing the adopted master plans.
- Balancing income levels & housing types.
- Creating mixed income communities.
- Preserving surrounding neighborhoods.



For new market rate development, choose the role that best fits the project.

- The overall role of encouraging, facilitating, & seeding development of new market rate housing is crucial for cities in VA.
- The role of land baron, however, won't win you an Oscar.
- There are various Oscar-winning roles that the City/Authority can play.
- Role of Real Estate Agent.
- Role of Developer of Record or by Subsidiary.
- Role of Facilitator to a Developer/Master Developer.



Playing a more active role in the development process has its pros & cons.

- Pro – may be able to make money on land acquisitions sold after subdivision.
- Con – all the risk of development falls to the Authority.
- Pro – the Authority's control over development is assured.
- Con – Tax revenue will be slower to flow.
- Pro?/Con? – The Authority would likely need additional staff the more active its role.



- The Buckroe Bayfront is a place where the role of developer would be workable.



- The former Harbor Court apartment complex is a place where facilitating the work of a master developer would be well- suited.



In areas of concentrated blight, use formal redevelopment & conservation.

- The Kelo Supreme Court case, 2007 changes to the Code of Virginia, the 2012 Virginia Constitutional Amendment, & 2013 PKO Ventures v. NRHA decision have all resulted in changes in redevelopment & conservation planning.
- Forget any reference to raising the real estate tax base/tax revenue, economic development, or private gain.
- Redevelopment & conservation plans are for the sole purpose of eliminating blight.

- NRHA's large-scale redevelopment & conservation projects from the 1980's & 1990's will not be repeated.
- Well-crafted, smaller redevelopment & conservation projects are still workable.
- Spot blight abatement can fill the gap where scattered blight exists.



HAMPTON VA



In older, stable neighborhoods, enhance & coordinate existing efforts.

- Expand the Housing Venture Program into other neighborhoods.
- Expand the brand new Housing Inspection Program into additional neighborhoods & coordinate it with other housing revitalization programs.
- Align infrastructure improvements to coincide with housing revitalization efforts.
- Coordinate housing revitalization efforts with the revitalization of any nearby commercial corridors.

HAMPTON VA



- Expand the Curb Appeal Program into additional neighborhoods & through the use of a sliding scale match.
- Continue utilizing style guides for each neighborhood where the Curb Appeal Program is implemented & other neighborhoods where the City/Authority are actively revitalizing housing.
- Develop the existing contractor's list into a Builders & Design Guild approach much like that used by the NRHA.

“Yes” to market rate housing and “Yes” to mid-century modest housing.

- Hampton 's “regional fair share” dilemma.
- A better descriptor – mid-century modest.
- While the American dream for many is a large house with a spacious lawn, there is a growing trend toward smaller houses.



In acquiring land, be choosy. In selling property, be generous (mostly).

- Acquire additional land only within the master plan areas or where additional acquisitions would support the reuse of parcels already owned.
- Dispose of scattered & smaller parcels through the \$1 Lot Program & other sales.
- Develop assembled parcels and larger parcels bought with HUD or City dollars.
- Don't be afraid to lose money on land sales.
- Encumber the land at conveyance.



When it comes to the dollars & cents, creative financing & incentives abound. For market rate projects:

- Tax Increment Financing.
- Historic Tax Credits (Federal & State).
- VHDA "mixed-use/mixed-income" (MUMI) financing.
- Public acquisition, clearance, & transfer of land in master plan areas.
- Development/upgrades to public utilities.
- Construction of a major public facility.
- Assistance with cost of private infrastructure.



For market rate projects (continued):

- Assistance with surveying & re-platting the land.
- Waiver or discount of fees.
- Expedited approvals.



For affordable housing:

- HUD Programs & Funds (CDBG, HOME, Section 108 Loan Guarantees, etc.)
- VHDA reduced rate loans & other homebuyer assistance.
- New Market Tax Credits.
- Low Income Housing Tax Credits (though currently restricted by Hampton policy).
- Tax-exempt financing (though currently restricted by Hampton policy).



Finally, at the end of our report we were asked to include as an Appendix the table of “Neighborhood Conservation and Redevelopment Tools” put together by staff last fall. It is an excellent guide that lists current, potential, & best practice tools available for housing revitalization.



Questions and Dialogue

